

March 15, 1982

CERTIFIED MAIL NO. 984499

Luki Milling Corporation
Attn: Carroll J. Hart
P. O. Box 1075
Vernal, UT 84078

RE: ML 38305 Met. Minerals

Dear Mr. Hart:

I understand that you have not yet commenced mining under the above numbered lease, yet significant surface disturbance to the lands has occurred as a result of some preparation construction. Therefore, in accordance with Article XII of our lease agreement, Lessor hereby requests that you post a \$5,000 bond with the Utah Division of State Lands. Such bond will apply toward reclamation of existing disturbances only, but may be considered by the Division of Oil, Gas & Mining when computing a total mining bond. A total mining bond must be posted prior to the commencement of actual mining operations.

From date of this letter you have thirty (30) days in which to comply. Please contact me should you have any questions.

Sincerely yours,

JOHN T. BLAKE
MINERALS RESOURCE SPECIALIST

JTB/mh

cc - Mr. Tom Tetting
Division of Oil, Gas & Mining

RECEIVED

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**DIVISION OF
OIL, GAS & MINING**